

A STUDY OF CHINA'S NEW POLICY "LIBERALIZATION"

INTRODUCTION

1. Speeches of leading Chinese Communist Government officials, both Party cadres and others, at the July 1956 National Peoples Congress have provided an opportunity for examining the direction and aims of Chinese Communist domestic policy toward certain social groups. Significant policy changes are taking place in many key spheres in China. In the past 6 months there have been radical changes in treatment of intellectuals, peasants, non-Communist political leaders, so-called counter-revolutionaries, and businessmen.

2. New York Times headline writers use terms such as "liberalization" or "relaxation" to describe domestic policy trends in China, and on 6 August 1956 headlined a story on its front page: "Chou Says China Will Give People More Democracy." Indeed, in the changes and promises made by speakers at the Congress, there would appear to be considerable genuine relaxations of Government and Party pressures on the citizenry:

- a. Intellectuals are told that they must take the best from the West, and that the Communist Party will "let all schools of thought contend." This appears to offer a freedom of expression previously unknown and is in stark contrast to the 1955 atmosphere surrounding the denunciations of intellectual Hu Feng who advocated just this approach.
- b. Peasants in agricultural producer cooperatives are promised that in distribution of the 1956 harvest, 90% of the co-operative members must receive an increased income.
- c. Non-Communist political leaders are promised an increasing participation in government affairs, and Communist Party members are enjoined to heed the criticisms of these "democratic non-partisans." The Communist Party even promised supervision of itself by these other parties.
- d. Commercial circles were promised a period of consolidation of control of their enterprises which had been suddenly converted within a month to "joint state-private enterprises." They could also anticipate the use of "education through persuasion" would be substituted for intimidation in their required political studies.

3. These trends are, of course, in line with reports from the Soviet Union and the European satellites, and as in the case of those countries it

is necessary to answer the questions such as: have any changes actually occurred? What is the nature of these changes? How basic are they? What are the reasons for the changes? Have basic principles of Communist ideology and practice been given up in favor of more genuine democracy? How can the ruling Communist Party afford to allow the increased freedoms without the foundation of its authority eventually being undermined?

#### CHANGES MUST BE CONSIDERED IN THE MARXIST-LENINIST CONTEXT

4. The most important element to be kept in mind by the reader in considering changes in China is the Marxist-Leninist framework within which they are made. It is within this framework that the Communist leaders conceive of the changes; the terminology they use in describing changes has meaning only in this context, and it is this ideological framework which prescribes the limitations within which the leaders expect to confine any "liberalization" policies.

#### BACKGROUND: 1955 POLICIES

5. The 1956 changes in Chinese Communist domestic policies toward certain groups must be considered in comparison with the harshness of the Chinese Communist regime's program which immediately preceded announcement of these changes. The extent of apparent "relaxation" during the spring and summer of 1956 is heightened by the contrast with policies which ran thru the year beginning in the Spring of 1955. Common to the intellectual, the peasant, the businessman, so-called counter-revolutionaries and the non-Communist politician was intense pressure by the state in various forms. In the case of intellectuals and counter-revolutionaries it was severe repression, especially of ideas. For the businessman or industrialist, it meant rapid confiscation of his enterprise by the State. For the peasant, it meant a tremendous acceleration in the rate of organization of the farmers into cooperatives, and of the forming of "higher level" cooperatives. For the so-called "counterrevolutionary" it meant an intensive drive for identification and arrest of any person so designated by the authorities--including former middle or rich peasants who could be used as scapegoats for failure of production programs or cooperatives.

6. In contrast, present policies appear indeed lenient. But do they mean what they purport to mean? The meaning of changes to intellectuals, the "national bourgeoisie," the peasants and the non-Communist "democratic non-partisans" are taken up below.

#### POLICY TOWARD INTELLECTUALS:

7. The policy of "let all flowers bloom at one time, and let all schools of thought vie with one another" is being widely hailed as the end of thought control and conformity. Intellectuals, a generic term used by the Chinese to include scientists, teachers, engineers, skilled workers and

government functionaries as well as the artists, have traditionally played a major role in governing China. Their active support, not mere acquiescence, of the regime is necessary for dynamic progress. The "let all flowers bloom" policy is an attempt to provide incentive to creative workers while maintaining control over their ideology and action. The policy must be considered in the following context:

- a. "The overwhelming majority of intellectuals are now government workers" - Li Wei-han. Direct lines of control now extend to the individual intellectual through their government offices or schools where they work, teach or study. Any growth that does not qualify as a "flower", (e.g., alien weeds) can be quietly cultivated out.
- b. "There is no question but that Marxism-Leninism guides our ideology, so why mention it as a limitation of the appeal?" - Shen Yen-ping, Minister of Culture. "So long as it is a 'flower', let it 'bloom'." - Shen Yen-ping. The policy therefore applies only to thoughts which do not conflict or compete with Marxism-Leninism as interpreted by the regime.

#### POLICY TOWARD THE "NATIONAL BOURGEOISIE"

8. Deputy Premier Chen Yun has boasted that the changeover from private ownership of industry and commerce to Socialist ownership "by so peaceful a way, with industrialists and traders throughout the country accepting the transformation in such high spirits, is an event unprecedented in history." His boast, taken with the policy of "education through persuasion" for business circles would seem to indicate that the national bourgeoisie is eagerly cooperating with the government and is no longer in danger of terrorism through mass movements such as the 5 anti campaign of 1951-52. The national bourgeoisie, like the intellectuals, command knowledge and experience essential to the rapid economic advancement of China. The present policy of "persuasion" must be considered in the light of the very rapid 100% "socialist transformation" of the private sector of the economy into so-called "joint state-private enterprises" in December 1955 - January 1956. This process completed in a month what had been planned to take two years. This speed-up proved uneconomic in its execution because the plans for integration of the new state-controlled industries into the public sector of the economy were not ready. Thus it appears that the acceleration was carried out in order to extend organizational controls to the individual capitalists. It was accomplished "peacefully" only because the businessmen had been thoroughly intimidated by the five-anti campaign and were incapable of resistance. The following statements illustrate these points:

- a. "A great majority of capitalists and their agents are beginning to become public service personnel of joint State-private

enterprises and in some cases State-owned enterprises....

The enterprises are the principal center in which the capitalists and their representatives can be further united, educated and reformed". -Li Wei-han. Considering the admitted uneconomic nature of the accelerated transformation, this indicates that the move was undertaken to establish these organizational lines of control over the national bourgeoisie.

- b. Referring to the 5 anti movement of 1951-52, Li Wei-han said in July 1956, "By this struggle, the bourgeoisie was enabled to get a profound understanding of the danger of their 'five evils' to the Motherland and the people and of the necessity of accepting the leadership of the working class and embarking on the road of socialism. It is precisely for this reason that it has become possible to adopt a more moderate form of Socialist transformation today" - Li Wei-han. A brief examination of the techniques used in the 5 anti campaign indicates that this "profound understanding" is based on stark fear.

Thus the current "liberal" policy regarding the national bourgeoisie is an attempt to get high production from their skills while maintaining tight controls on their ideological training and business activities through the organizational mechanism of joint State-private enterprises.

#### POLICY TOWARD PEASANTS

9. The current policy regarding the welfare of the peasants is that the over-emphasis of the interests of the collective and neglect of the interests of the individual is to be corrected, specifically by increasing incomes, over those of last year, of 90% of the peasants in cooperatives. At face value, this policy seems extremely generous, but it must be considered in the light of the events--tremendous acceleration of the rate of collectivization--of the last year and the goals the Communists have set for agriculture in the future.

10. In July 1955 the goal for the organization of peasants into elementary producers cooperatives was set at one third of the peasant households by 1957. The advance from the elementary producers cooperatives to higher stage cooperatives was to be gradual. Since then the schedule has been frequently revised and the organization of elementary cooperatives was completed among over 90% of the peasant households by June 19, 1956. Over 60% of the peasant households had already joined higher stage cooperatives and the rest are due to advance to that stage after the fall harvest.

11. This collectivization was carried out before coordinated planting and distribution plans had been worked out. The result was unbalanced economic production. It was also carried out in some instances by "failing to apply the principle of voluntariness", a euphemistic way of saying peasants were forced into the cooperatives.

12. The economic unbalance stemming from the rapid cooperativization and the present necessity of giving a greater share of the crop income to the peasants indicates that the process of collectivization was expedited up, as in the case of the transformation of private industry, not for economic reasons but in order to establish a direct line of control to the individual peasant. The rapid shift into the higher stage cooperative (which is generally an amalgamation of several elementary cooperatives coupled with earlier complaints of inadequate leadership in the elementary cooperatives, lends substance to the view that control was the prime incentive. Control over the elementary cooperatives is unsatisfactory because too few trained cadres were available to lead the many elementary cooperatives.

13. The problem now facing the regime is how to make the peasants produce now that they are enclosed in the socialist straightjacket. The Communists admit that without a surplus in agricultural production the industrialization program will fail, and that an agricultural surplus will be possible in sufficient quantities only when the peasantry is imbued with "production enthusiasm." This "production enthusiasm" is expected to result from an across the board increase income. The funds for this increase will not come from the state. They are to come from the increase in production expected as a direct result of cooperativization. If, as is most likely, an insufficient increase in production results from co-operativization, the increased incomes are to be financed at the expense of the cooperative sinking fund. Since this sinking fund stems from the compulsory investment of the individual peasant in the cooperative when he joins it, he is in effect getting an increased income at the expense of his own capital, or in other words at his own expense. An increased income from a subsidy by the state would be real; this increase, financed by cooperative funds, decreases the amount of construction possible in the future. Thus the state proposes, in effect, to raise the income of the peasants by dipping into capital reserves designed to finance future operations of the cooperatives or act as a cushion against hard times. In other words, the peasant's 1956 income, if it is in fact raised as promised, is to be raised at the expense of his future standard of living, and at the expense of sound financial management of the cooperatives.

#### POLICY TOWARD "DEMOCRATIC" PARTIES

14. The policy of "expanding and consolidating the People's Democratic United Front" so that there will be "mutual supervision and first of all

supervision over the Communist Party" seems to indicate that the Communist regime is relaxing its stranglehold on political life and allowing competition on the scene. Actually the puppet parties that have existed more on paper than in practice in the CPFG since its inception will probably expand their membership now and play a more active role in government. There is to be no element of competition, however. The chief function of the democratic parties will be to unite as many non-Communist elements of the population as is possible behind the leadership of the Communists. Lip service was given in the past to this as their function, but Li Wei-han admitted in July 1956 that little attention had been given to their potentialities in this regard.

15. They may also be allowed to criticize, in the Marxian context, organizations and individuals who are lax in carrying out Party-State policy; they will not, of course, criticize the policy itself. This function of criticism has now been allowed the democratic parties within this Marxian framework in order to increase their interest in state programs. In the past few years they have not been taken seriously by either the CCP members or the members of the parties themselves.

16. This increase in activity on the part of the democratic parties is apparently considered advisable in order to mobilize a greater segment of the population in the immense production drive that will be necessary to achieve the goals of the various 12-year plans recently promulgated. The step was not considered feasible in the past because the ideological level of their non-Communist leaders was not high enough to be reliable. Now the leaders profess to believe strongly in Communist goals:

"The various democratic parties have accepted Socialism and adopted political lines in the service of Socialism. These changes reflect the expansion and strengthening of Socialist unanimity, both political and ideological, among our whole people. They express the further consolidation and expansion of our People's Democratic United Front. These changes have, moreover, created favorable conditions for the continued consolidation and expansion of the People's Democratic United Front." - Li Wei-han.

Having accepted "Socialism", i.e. Communist ideology, then leaders can now, in Communist terms, be considered trustworthy.

#### CONCLUSION

17. As of the spring of 1956, virtually all productive elements of Chinese society had been incorporated organizationally into the "socialist" framework. This provides for tighter control over these elements than were available to the regime a year before. More direct organizational lines of control to individuals had been established by such moves as the acceleration

of the rate of establishing agricultural cooperatives and by the conversion of private firms into state-private enterprises. Having accomplished the larger part of desired changes in methods of direction and control of these groups, by the Spring of 1956, further changes were deferred. The uneconomic nature of the sudden conversion of key economic institutions suggests that the changes may have been prompted primarily by a desire to tighten organizational control over all productive individuals as speedily as possible for political and ideological reasons.

18. Ambitious 12 year plans for the industrial and agricultural economies demand the active participation of all the productive elements of the society for success. Post terrorism of the land reform, the 3- and 5-anti campaigns, the anti-counter revolutionary campaigns and the Hu Feng thought control campaign reduced initiative in the population because of fear. In order to restore initiative the Communists have set forth new policies calculated to encourage individuals to identify more clearly as their own, the interests of the state. The new policies, liberal in sound, were not promulgated until firm controls had been established which could ensure the direction of all initiative along lines compatible with Communist ideology. Any deviations in direction may now be corrected or obliterated quietly through the control organizations now in existence.

19. It can even be speculated that the use of new organizations of control may obviate the use for purely domestic political purposes of mass struggle movements, a particularly Chinese contribution to Communist governing techniques. (These are not to be confused with drives for production or against "aggression"; they were directed in the past against particular social groups as a means of isolating them or reorienting their attitudes and conduct.) In the past much of the energy exerted in the struggle against such groups (for example, rich peasants, businessmen) was diverted from needed production or destroyed the vital initiative of the group attacked or those associated with it. If this thesis is correct, it can even be said that there may be a substitution of more subtle organizational methods of control for control by use of mass terror.

20. Liberal-sounding policies can also be used to convince intellectual, skilled or moneyed overseas Chinese that their future is secure if they return to the mainland. The impression may also forward China's foreign policy of winning neutral nations to the side of the Communist bloc.